

Journal of Air Law and Commerce

Volume 13 | Issue 3

Article 2

1942

Sources of Feeder Airline Business - Part II: Air Mail

John H. Frederick

William J. Hudson

Follow this and additional works at: <https://scholar.smu.edu/jalc>

Recommended Citation

John H. Frederick et al., *Sources of Feeder Airline Business - Part II: Air Mail*, 13 J. AIR L. & COM. 212 (1942)
<https://scholar.smu.edu/jalc/vol13/iss3/2>

This Article is brought to you for free and open access by the Law Journals at SMU Scholar. It has been accepted for inclusion in Journal of Air Law and Commerce by an authorized administrator of SMU Scholar. For more information, please visit <http://digitalrepository.smu.edu>.

SOURCES OF FEEDER AIRLINE BUSINESS

Part II: Air Mail†

BY JOHN H. FREDERICK AND WILLIAM J. HUDSON

In 1930, when aviation enthusiasts suggested that airmail might be profitably carried between nearby towns and over short routes, they received but scant encouragement from the Post Office Department. In fact, the department officially made known its position regarding such airmail development in its annual report for that year by stating: "The carrying of air mail over short routes is economically unsound and except in a few cases where connections are made to trunk-line routes the department's policy will be to avoid the granting of such mail contracts."¹ But the idea remained with the postal authorities and people interested in the industry so that since 1930, numerous experiments have been conducted both by the government and by individuals in an endeavor to develop an economical method of providing air mail service to the smaller communities of the country.

During this period of experiment to devise the sort of equipment best suited for that type of air mail service, there has been a continued and cumulative public agitation for the expansion of air mail facilities. In ten years, public interest in air mail has ripened to the point of losing its provincial tinge of service to particular communities, and today the demand in some quarters is for the carriage of all first class mail by air. The power of the Post Office Department to control the extension of the air transport system by the designation of air mail routes makes air mail the key to many airline problems not the least of which is that of feeder airlines. This is obviously so because no feeder airline as yet proposed could pay its way without a mail contract.

That the airmail question is recognized as essentially a part of the general problem of feeder airlines and is the basis for their

† Editor's Note.—This is the third article in the feeder-airline series being presented by the above authors. The first appeared in the January 1942 issue of this *Journal* in an article entitled "What Is a Feeder Airline?" The second appeared in the April 1942 issue under the title "Sources of Feeder Airline Business, Part I: Passenger Traffic." The present article is the second in this particular group. The third under the title "Part III: Air Cargo" will appear in the October 1942 issue.

1. *Annual Report of the Postmaster General*, 1930, p. 28.

rapid development may be seen in the criticisms which, from time to time, have been directed toward the government regulating authorities. In a strongly worded resolution criticising the Civil Aeronautics Authority, the First National Air Congress of the National Aeronautics Association in 1940 condemned the failure of the government to promote adequately airline expansion since two-thirds of the public is underprivileged in the matter of airmail, express, and passenger accommodations.² In October the same year Captain Eddie Rickenbacker, president of Eastern Airlines, told the Tenth Annual Convention of the National Association of State Aviation Officials in Louisville that the carriage of all first class mail by air and the establishment of an extensive feeder system would be the best means for training pilots for national defense purposes. He said further that if it had not been for the "lack of leadership in Washington" the airlines would be carrying all first class mail today.³ Such remarks are typical criticisms of the reluctance of the regulating authorities to substantially broaden the base of air transport activities.

Notwithstanding frequent adverse comment, the Post Office Department and the Civil Aeronautics Board have declined to be stampeded into hasty action in the extension of air mail routes. That is not to say that the problem has been ignored entirely, for in pursuance of the experimental airmail service Act approved by Congress on April 15, 1938,⁴ two experimental routes, utilizing devices for the exchange of mail in flight, were established in May of the same year. These routes operated between Philadelphia and Pittsburgh, Pa. and between Pittsburgh, Pa. and Huntington, West Va. and served fifty-eight intermediate points between these main terminals.⁵ As an outgrowth of these experimental routes there has been built the nucleus of the feeder airline system of tomorrow.

Airmail rates explained. Of the great mass of people who daily use the mails, few have more than a vague understanding of the different classes of mail service offered to them by the government. Especially is this true of air mail. A great many people are of the opinion that only letters may be sent via air mail and that air mail is something different from first class mail. This commonly accepted idea is of course unfounded for the same qualifications that apply to

2. *American Aviation*, August 1, 1940, p. 8.

3. *American Aviation*, November 1, 1940, p. 3.

4. 52 Stat. 218; U.S.C., 1934 ed. sup IV, title 39, sec. 471,472.

5. *Annual Report of the Postmaster General*, 1939, p. 17.

other first class mail apply also to air mail. *Airmail is first class mail.* The essential difference between first class mail carried by ground transportation agencies on the one hand and by airplane on the other hand is the postage rate. Ordinarily, ground transported mail may be sent for three cents per ounce or fraction thereof which means about that sum per letter; while to send the same weight by airmail costs six cents. The three cent extra charge for airmail is the premium paid for faster service. Any mailable matter, except that liable to damage from freezing, may be sent by air mail at the rate of six cents per ounce, or fraction thereof, including sealed parcels not exceeding 70 pounds in weight and not exceeding 100 inches in length and girth combined.⁶ On that basis practically any mailable matter may be sent by first class mail, and consequently by air mail, within the limitations prescribed by the Postal authorities, provided the sender is willing to pay the prevailing rate of postage.⁷ This being understood, what then are some implications of carrying all first class mail by air?

A plentiful amount of statistical data relating to air mail operations of the past is available. Little work has been done, however, to show the implications of carrying all first class mail by air other than general estimates of how many pounds might be carried; how many planes would be required; and how many pilots would be needed to operate the planes. Just how such an undertaking would contribute to the development of a balanced feeder airline system is a question which as yet remains unanswered. Not only must the volume and value of mail receive proper consideration, but there must be some idea obtained of the points which might be served in order to relate this information to the passenger and cargo aspects of feeder airline operations. From the standpoint of feeder airlines these three conditions of air transportation services are basic.

The volume of different classes of mail compared. Most analyses of airmail are made by comparing the volume and value of the

6. *U. S. Official Postal Guide, Part I, Domestic*, U. S. Post Office Department, Washington, D. C., July, 1939, p. 9.

7. Mailable matter is divided into four classes by the Post Office Department. First class, written matter; second class, periodical publications; third class, miscellaneous printed matter and other mailable matter (not exceeding eight ounces) not included in the first, second, or fourth classes; fourth class, merchandise and other mailable matter weighing more than eight ounces and not in any other classes.

The base postage rate for first class matter is three cents for each ounce or fraction thereof; for second class matter one cent for each two ounces or fraction thereof; for third class matter one and one-half cents for each two ounces or fraction thereof up to and including eight ounces; and for fourth class matter rates are charged by the pound according to distance or zone, a fraction of a pound being computed as a full pound.

service for one year with some preceding year or years. While a temporal study of that kind may be quite satisfactory for measuring the significance of air mail in relation to other transportation services of air carriers, it is hardly a satisfactory method of measuring the real stature or importance of airmail services in the total transportation process. For this study a more valid relationship is the ratio air mail bears to the total first class mail and to the volume of all mail transported.

When the amount of air mail is compared with the total first class mail originating in the United States, it is clear that the present use of the more rapid service is very limited. Related to the total volume of all classes of mail its contribution is but an infinitesimal part of the total. The number of pounds of mail handled by the Post Office Department, by class of mail, for the fiscal year ending June 30, 1941 is shown in Table I. This table indicates that of nearly six billion pounds of mail of all classes

TABLE I

*Volume of Mail by Classes for the Fiscal Year Ending June 30, 1941**

Class of mail matter	Weight in pounds	per cent of total
First class ^(a)	402,974,894	6.75
Air mail	14,422,860	.24
<hr/>		
Total first class.....	417,397,754	6.99
Second class	1,409,872,186	23.62
Third class	456,232,221	7.64
Fourth class	3,686,437,304	61.75
TOTALS	5,969,939,465	100.00

* Source of Data: *Annual Report of the Postmaster General*, June 30, 1941, p. 91.

(a) Includes local delivery letters.

handled during that year, air mail comprised less than one per cent of the total, while the relationship of air mail to total first class mail, not including local delivery letters, was about 4.50 per cent. The largest class of mail by weight was fourth class or parcel post with 61.75 per cent followed by second class mail which made up 23.62 per cent of the total.

Even though all first class mail amounted to only seven per cent of the total volume of all mail carried, it is not hard to visualize the impetus that the carriage of all first class mail by air would give to the air transport industry. There is also the probability that should all first class mail be carried by air at

the current three cent postage rate there would be a strong tendency on the part of business and individuals to use air mail for sending much of the matter now sent by second, third, and fourth class. The factor of speed alone would perhaps be of sufficient utility to cause a heavy shift from ground mail transportation to air mail. Thus, any estimate of the amount of mail that might be transported by air would have to be based on the present volume of first class mail and the unknown factor of what the probable shift would be of other classes of mail to first class.

The revenues and expenditures for different classes of mail compared. Post Office Department estimates for the fiscal year 1941 indicate that expenditures for air mail amounted to about 12.5 per cent of the total cost of handling all first class mail, excluding local delivery letters. Airmail revenues were only 6.5 per cent of total first class mail revenues, not including local delivery letters. Whereas total revenues for first class mail exceeded expenditures by some 122 million dollars, air mail was operated at a deficit of approximately seven million dollars. Air mail and other first class mail together accounted for 59.64 per cent of all postal revenues while the cost of handling this class of mail was 39.78 per cent of total expenditures.

All other classes of mail as given in Table II showed an excess of apportioned expenditures over revenues. Fourth class mail amounting to nearly 62 per cent of all mail by weight accounted for 22.86 per cent of total revenues, and expenses for handling were 25.82 per cent of the total expenditures. The cost of handling second class mail was far out of proportion to the amount of revenues received, the former being 17.52 per cent of the total expenditures and the latter only 4.14 per cent of total revenues. Third class mail revenues were 13.36 per cent of the total compared with expenditures amounting to 16.88 per cent of total expenditures. The excess of first class mail revenues over expenditures was important in partially offsetting the deficits accruing from the handling of the other classes of mail.

Two paramount questions arise from this appraisal of postal receipts and expenditures. First, what changes would take place in the distribution of postal revenues and expenditures if all first class mail were carried by air at the regular first class mail rate of three cents per ounce, and second, what changes would occur

in the class distribution of mail? The following hypothetical case will serve to illustrate the nature of the problem involved.

If all first class mail were carried by air at three cents per ounce, based on the figures in Table II (and assuming no change in the class distribution of mail), revenues would amount to approximately 358 million dollars. Expenditures for handling the mail would amount to about 291 million dollars, leaving an excess of revenues over expenditures of some 97.5 million dollars. This would be 24.5 millions less than the present surplus of first class mail revenues and would mean a much larger postal deficit.

As a means of meeting this condition the Post Office Department would have three alternatives and their combinations. (1) Increase first class mail rates to a point above three cents per ounce where income will approximately equal expenses for transporting and handling the mail. This method of raising additional revenues would, in effect, be a direct tax levied on the public for mail services and does not differ from the present postal rate system. Since the preponderance of mail is first class any increase of the present three cent charge would be equitably distributed among the users of the postal system. (2) Gradually scale down payments to air carriers with a view toward eventually equalizing mail revenues and expenses. This alternative is in accordance with the present policy of the Civil Aeronautics Board and the Post Office Department. As the volume of mail hauled by the air carriers increased, the base rate might be scaled down with a view toward reducing payments as nearly as possible to the cost of service. (3) Increase the Post Office appropriation for the transportation and handling of the mail without regard for the relationship between income and expenses. This alternative coupled with (2) above is probably the most acceptable method of meeting the problem. Air mail rates and all other mail rates should be designed to encourage the optimum use of the postal service. Also the air carriers under private ownership and operation must not, according to our present way of doing things, be forced to render service at below cost. To meet those two conditions satisfactorily, Congress should appropriate whatever funds are necessary to provide an efficient Postal service.

There is no way of knowing in advance what effects the transportation of all first class mail by air would have on the distribution of the different classes of mail matter. If the first class mail

TABLE II
*Postal Revenues and Expenditures for the Fiscal Year Ending June 30, 1941**

Classes of mail	Revenues		per cent of total	Expenditures		Per cent of total	Excess of appor- tioned expenditures over revenues
	Amount			Amount			
First class ^(a)	\$346,241,367.69		55.79	\$217,136,551.90		34.83	\$129,104,815.79 ^(b)
Air mail	23,920,465.00		3.85	30,881,838.55		4.95	6,961,373.55
Total first class.....	\$370,161,832.69		59.64	\$248,018,390.45		39.78	\$122,143,442.24 ^(b)
Second class	\$ 25,724,959.81		4.14	\$109,244,706.11		17.52	\$ 83,519,746.30
Third class	82,864,991.55		13.35	105,190,172.70		16.88	22,325,181.15
Fourth class	141,885,384.02		22.86	160,977,453.43		25.82	19,092,069.41
TOTALS	\$620,637,168.07		100.00	\$623,430,722.69		100.00	\$ 2,793,554.62

* Source of data: *Annual Report of the Postmaster General*, June 30, 1941, p. 89.

(a) Does not include local delivery letters.

(b) Excess of revenues over apportioned expenditures.

rate is low enough there may be a considerable shift of the other three classes of mail to first class particularly over long hauls. Increasing distance and the need for saving time will make the utility of speed the major determinant of whatever changes take place in the mailing habits of business and the public in general.

The inadequacy of present air mail service. A limited scope of service and high postage rates have operated to discourage extensive development of air mail. Each of these factors has marked air mail with certain traffic characteristics different from those of air passenger traffic. An important distinction is that the dispersion of air mail traffic is much greater than air passenger traffic. The twelve largest air terminals from the standpoint of traffic generating power have a 65.3 per cent interchange of passenger traffic between themselves while only 40.5 per cent of their air mail traffic is interchanged between them. Thus, the greatest proportion of passenger traffic is originated at or destined to large cities contrasted to air mail traffic the preponderance of which is originated at or destined to smaller towns.⁸ The effects of this characteristic on the ratio of air mail to first class mail by geographic division is given in Table III.

TABLE III

*Ratio of Air Mail to First Class Mail by Geographic Division**

New England	1.81%
Middle Atlantic	3.43
East North Central.....	3.83
West North Central	3.73
South Atlantic	3.62
East South Central.....	3.56
West South Central.....	5.20
Mountain	8.43
Pacific	11.73
U. S. Average.....	4.97

*Compiled from the Air Mail Survey, June 16-22, 1940, Civil Aeronautics Board, 1941.

An explanation is given for the very high ratios in the West South Central, Mountain, and Pacific divisions in an air mail survey conducted by the Civil Aeronautics Board in 1940.

Air stations located less than about 300 miles apart interchange only a negligible amount of air mail in comparison to their apparent potential air mail generating power since mail which can be satisfactorily handled by

8. *Air Mail Survey, June 16-22, 1940, Civil Aeronautics Board, 1941, p. 2.*

overnight train service will not often be sent by air mail. In general, therefore, isolation contributes to the volume of air mail of an air station, and this volume is affected unfavorably if a considerable portion of the country's air mail potential falls within a circle whose radius is 325 miles and whose center is the air station. This effect reacts unfavorably upon all Northeastern air stations.

The ratios of air mail to first class mail of air stations increase toward the West and South as such stations are located further from the industrial Northeast, doubtless due in part to the effect mentioned above, and in part to the fact that air mail shows increasing advantage over first class mail with increasing distance and hence is greatly influenced by the principal concentration of mail generating power in the Northeast. These ratios are generally lower for small air stations close to large air stations than they are for isolated small air stations, probably because the major proportion of their trade is with the nearby large air stations and at a distance too short to utilize the advantages of air mail.⁹

The limited scope of present air mail operations makes time and distance important elements in choosing between air mail service and ground transported first class mail. Frequently the saving in time when mail is carried to its destination partly by train or bus and partly by air is not sufficient to warrant payment of the three cent differential in the postage rate. It is reasonable to assume, though, that the greater the distance to point of destination, the greater is the incentive to use air mail. And the greater the number of cities with direct air mail connections the more will air mail be utilized.

The chief criticism of air mail service today is that not enough of our cities have direct air connections. The distribution of scheduled trunkline air services to the cities of the different size-groups in Table IV illustrates the restrictive nature of the Post Office Department's policy of designating as air mail stops only those cities which they decide are of sufficient economic importance to justify the service. The most significant fact is that 106 of the 211 airline stops in 1940 were at cities of 50,000 population and over. The remaining fifty per cent of the scheduled airline stops were somewhat evenly distributed among the cities of the smaller size-groups. Practically all of the 105 cities of less than 50,000 population, and many of larger size, were designated as air mail or scheduled airline stops because they are conveniently

9. *Ibid.*, p. 2.

located at some intermediate point between the larger trunkline terminals or because they possess some special characteristic such as Muscle Shoals and Boulder City where Federal power projects are located.

TABLE IV

*Cities and Towns in the United States, by Size-Group, and those Designated as Scheduled Airline Stops in 1940**

Size-group	No. of cities and towns	No. designated as airline stops
50,000 and over	199	106
30,000 to 50,000	145	23
20,000 to 30,000	161	20
10,000 to 20,000	535	37
5,000 to 10,000	991	17
2,500 to 5,000	1,422	8
TOTALS	3,464	211

* Compiled from the 16th Census of the United States, 1940, and the Airline Traffic Survey, September, 1940.

All factors considered, it is unlikely under present operating conditions that the ratio of air mail to first class mail will show any substantial increase. The present postage rate differential offers little incentive for the use of air mail, and over short distances the higher air mail rate is actually a deterrent to the use of this service. With the vast proportion of our cities and towns not having direct and through air mail connections, the loss of time in transferring mail from one agency of transportation to another frequently makes the difference in the postage rate the deciding factor in the choice of the mail service used.

In order to obtain a high degree of utilization of air mail it is of paramount importance that feeder airline facilities be provided for all sections of the country. At the same time there must be an adjustment of postal rates either by minimizing the differential in present rates or by carrying all first class mail by air at one rate.

If cities having first and second class post offices were served by feeder airlines, a considerable step would be taken in the direction of providing complete air mail service for the greater part of our population and industries of economic significance.¹⁰ Some idea of the effects of such a program on the availability of

10. First and second class post offices together comprise 11.8 per cent of all domestic post offices. First class post offices are those with annual gross postal receipts of \$40,000 and over. Post offices with annual gross postal receipts of \$8,000 to \$40,000 are of the second class. *Postal Laws and Regulations, 1940*, (U. S. Government Printing Office, Washington, D. C., 1941).

air mail service in the several geographic divisions of the country can be had from Table V which indicates the number of first and second class post offices in each region.¹¹

The most intensive development of air mail through feeder airline service would probably take place in the densely populated and highly industrialized states of the North Central and Atlantic regions where 62 per cent of all first and second class post offices are located. These four divisions also account for 65 per cent of the total population and 64 per cent of the cities of 5,000 population and over.¹² It is unlikely, however, that a very large amount of air mail proportionate to total first class mail could be developed in this area if the present postage rate differential were continued. The same condition would apply with equal force to the more sparsely settled Western and Southern regions.

TABLE V

*Geographic Distribution of First and Second Class Post offices in 1941**

Geographic Division	No. of 1st class P.O.	No. of 2nd class P.O.	Total 1st & 2nd class P.O.	Per cent of total
New England	122	261	383	7.63
Middle Atlantic	276	610	886	17.65
East North Central.....	306	643	949	18.91
West North Central.....	145	547	692	13.79
South Atlantic	147	442	589	11.73
East South Central.....	60	263	323	6.44
West South Central.....	92	422	514	10.24
Mountain	54	200	254	5.06
Pacific	131	298	429	8.55
TOTALS	1,333	3,686	5,019	100.00

* Compiled from the *Annual Report of the Postmaster General, 1941*, p. 115.

11. The geographic distribution of the 211 cities and towns served by the major airlines in 1940 is as follows:

Geographic Division	Scheduled Stops	Per cent of total
New England	17	8.06
Middle Atlantic	16	7.58
East North Central.....	24	11.37
West North Central.....	28	13.27
South Atlantic	31	14.69
East South Central	21	9.95
West South Central.....	22	10.43
Mountain	32	15.17
Pacific	20	9.48
TOTALS	211	100.00

12. See Frederick, J. H. and Hudson, W. J., "Sources of Feeder Airline Business, Part I: Passenger Traffic," *Journal of Air Law and Commerce*, April, 1942. pp. 99-115 for an analyses of population and its relation to airline traffic.

Recent feeder airline developments in the carriage of airmail.

One of the principal reasons given by the Civil Aeronautics Board, formerly the Civil Aeronautics Authority, for the denial of applications for new air routes and extensions to old ones has been that the amount of traffic that could be reasonably expected to develop at the proposed terminals would not compensate the government for the construction of airports, landing aids, and other facilities. For substantially the same reason, trunkline air carriers have not been enthusiastic about applying for certificates of convenience and necessity to serve cities unless they possess potentially large traffic generating power. The cost of operating standard trunkline equipment to serve small towns, which would probably never develop a large passenger and express traffic, would mean that government payments for transportation of air mail would have to bear the major burden of the high operating costs.

As a means of overcoming the objection of high operating cost in relation to the actual pay-load, numerous experiments have been conducted during the past few years to develop a type of air mail service whose cost would be low enough to justify service to small communities. The result has been the development of an automatic pick-up and delivery device whereby mail and property could be picked up and delivered in flight at small towns without airport facilities. In this operation, canvas covered rubber containers with hard fibre noses are used for both deliveries and pick-ups. Each aircraft is equipped with a pick-up mechanism which consists of a winch, an air-oil shock absorber and a 55 foot steel cable to which is attached an eight pound four-fingered grapple. The ground equipment consists of two 30 foot steel masts, hoisting lines and a box for storage of transfer units. The masts are set in concrete 60 feet apart and each is topped by a wooden marker. A transfer rope, to which the container is attached, is suspended horizontally between the masts just below the markers, the container resting in the center.

The aircraft used in the pick-up and delivery service requires a crew of two, a pilot and a man to operate the pick-up mechanism. As the aircraft approaches a ground station, the pick-up operator unreels the pick-up cable bearing the grapple and then lowers a delivery container on a transfer rope, one end of which is attached to a release mechanism in the aircraft. The two lines are prevented from fouling by their weight drag ratios. The

pilot brings the aircraft into the ground station on a glide and passes over the masts at an altitude of 50 to 70 feet. Just before passing over the masts the pilot presses a lever which releases the delivery container and transfer rope. As the aircraft passes over the masts, the pick-up cable strikes the transfer rope suspended between them. As contact is made, the transfer rope slides down the cable into the grapple. The operator then reels in the transfer rope and container which were picked up.¹³

In 1938, experimental operations were begun by All American Aviation, Inc. with a low-cost airmail service to small communities in four Eastern states. Operations were under the supervision of the Post Office Department according to the provisions of the experimental air mail service Act passed by Congress in April, 1938,¹⁴ and make use of patented devices which permitted the pick-up and delivery of mail while the plane was in flight. Two experimental routes providing for service to fifty-eight cities in Pennsylvania, West Virginia, Delaware, and Ohio were established and continued in operation until May 1940 when they were discontinued due to the expiration of the contract.¹⁵ On July 22, 1940, airmail pick-up and delivery service was placed on a permanent basis when the Civil Aeronautics Board approved the issuance of a certificate of public convenience and necessity to All American Aviation, Inc., for the carriage of mail and express on parts of the routes operated under the experimental contract with the Post Office Department.¹⁶ By the end of 1941, All American Aviation operations had been extended to 89 cities in six states, and application for service to 62 additional cities were pending with the Civil Aeronautics Board.¹⁷

The distribution of All American Aviation pick-up and delivery service by state and by size-group of communities served is shown in Table VI.

With the technical feasibility of the type of service rendered by All American Aviation amply demonstrated it is not difficult to visualize the potentialities of its use for air mail development throughout the nation. At the present time All American Aviation has two applications pending with the Board to serve 62

13. *All American Aviation, Inc.*, C.A.B. Docket No. 363, decided July 22, 1940. p. 8.

14. 52 Stat. 218, U.S.C., 1934 ed. sup IV, title 39, sec. 471, 472.

15. *Annual Report of the Postmaster General, 1939 and 1940*, p. 17.

16. *Annual Report of the Civil Aeronautics Board, Washington*, 1941, p. 11.

17. From a statement prepared by the Civil Aeronautics Board showing applications for air mail pickup service pending as of November 12, 1941.

TABLE VI

*Cities Served by All American Aviation, Inc. By State and Size-Group**

	50,000 and over	30,000 to 50,000	20,000 to 30,000	10,000 to 20,000	5,000 to 10,000	Less than 5,000	Total cities
New York	0	1	0	0	0	0	1
Pennsylvania ..	8	1	3	16	15	10	53
Ohio	0	2	0	2	3	1	8
Delaware	1	0	0	0	0	0	1
West Virginia..	3	2	1	2	4	12	24
Kentucky	0	0	1	0	0	1	2
TOTALS	12	6	5	20	22	24	89

* Compiled from a statement by the Civil Aeronautics Board showing applications granted for air mail pickup and delivery service, November 12, 1941.

additional cities in New York, Pennsylvania, and Ohio. Six of these cities are now served by trunkline carriers and 56 of them do not have air transport connections with any air lines.¹⁸

The success of All American Aviation, Inc. has stimulated interest in pick-up and delivery service and by the end of 1941 eleven new applications for this type of air mail operation were on file with the Civil Aeronautics Board, the two applications filed by All American and nine other applications filed by seven newly formed companies. In all, these new applications propose to serve 1113 cities in 43 states. Table VII showing the geo-

TABLE VII

*Cities Proposed to Be Served by Airmail Pick-up and Delivery Service
By Geographic Division and Size-Group**

Geographic Division	50,000 and over	30,000 to 50,000	20,000 to 30,000	10,000 to 20,000	5,000 to 10,000	Less than 5,000	Total cities
New England	0	0	0	0	0	0	0
Middle Atlantic	5	7	7	22	16	48	105
East North Central...	11	25	21	44	58	98	257
West North Central..	5	4	8	29	36	101	183
South Atlantic	1	3	1	5	4	9	23
East South Central...	0	2	1	10	16	59	88
West South Central..	0	3	5	29	45	73	155
Mountain	0	0	0	0	0	0	0
Pacific	3	2	3	15	25	82	130
TOTALS	25	46	46	154	200	470	941

* Compiled from a statement by the Civil Aeronautics Board showing applications pending for air mail pick-up and delivery service, November 12, 1941.

18. *Ibid.*

graphic distribution by size-group of the cities proposed to be served was compiled to facilitate comparison with the preceding tables. After all duplications of proposed air mail stops and proposed stops at points already served by airlines were eliminated from the applications represented in Table VII, there remained 941 cities to which pick-up and delivery service would be extended. These are in addition to the 89 cities now served by the All American Aviation operations.

Conclusions. Unquestionably the inauguration of air mail services to the cities included in the applications now pending before the Board would favorably affect the ratio of air mail to other first class mail, except possibly in the New England and Mountain states, even under present air mail rates. In all probability, the cities in these states would feel the effects of this extension of air mail service since many of the cities with which they have a community of interest in the other divisions will be more accessible by airmail at least at their end of the connection. But it is not likely that there will be any immediate airline development in the Far West for some time to come. One of the principal reasons for this is that the Far West has better airline service than most other parts of the country, area and population considered, and most of the western centers are already on the airline map. At the beginning, as indicated by the applications now pending before the Civil Aeronautics Board, feeder airline development will be limited to those regions which promise substantial passenger and express business as well as airmail. Cities of the densely populated and highly industrialized East and West North Central and Middle Atlantic areas will be encouraged to use air mail to destinations much less than 300 miles away if feeder airline services are inaugurated because over these short distances mail dispatched in the morning will, in many instances, be delivered the same day instead of the following morning.

This program of air mail extension through the use of feeder airline pick-up and delivery services gives us an inkling of what we may expect sometime in the not too distant future. It is encouraging to know that the Civil Aeronautics Board is now undertaking studies and making plans for the new era of air transportation expansion which is expected to come after the present war.¹⁹ One thing is certain, we can not carry all first

¹⁹. See *Annual Report of the Civil Aeronautics Board*, Washington, 1941, pp. 8-9.

class mail by air unless we have provided for adequate equipment and other facilities to do so. It is unfortunate, indeed, that some of the present trunkline air carriers are under the illusion that the future expansion of air transport services is within their special province to the exclusion of new operators.²⁰ Herein lies the real danger to future feeder airline development. If the never ending claims of the trunkline carriers of the lack of necessity for independent feeder airlines and of undue and unwarranted competition from such new operators receive sympathetic consideration by the Civil Aeronautics Board, it may well turn out that only the skeleton of the current feeder airline proposals will be left. The denial of air service to cities *now* (or immediately after the war) because some airline expects to develop its traffic potentialities there at some time in the *future, and perhaps never*, is a policy the Civil Aeronautics Board must not subscribe to or countenance. If they do, the nation will be the loser; so will the air transport industry, for only by the establishment of a well planned and well organized feeder airline service can the air transport system reach its highest state of efficiency and service to the public.

20. See testimony setting forth the position of the interveners in the application of All American Aviation, Inc., C.A.B. Docket No. 363, Examiner's report served May 21, 1940; decided July 23, 1940.